

FLATHEAD COUNTY WATER DISTRICT #101

POB 1141, Columbia Falls, MT 59912

*** Minutes for May 3rd Meeting ***

I. Call to Order and Roll Call – Joanna Adams

TIME: 7:00

Board members in attendance: Linda Bosworth, Joanna Adams, Harold Herman, Aaron Anderson – Ken Kahn absent

II. Reading and approval of the minutes – Jamie Campbell

Highlights from April 5th meeting minutes were presented.
Minutes were approved as read.

III. Public comment.

A2Z reported on their efforts to date and the status of their proposals. The long term proposal is probably a year out, however an emergency repairs proposal was presented that has potential to begin early spring if funding is secured. A2Z met with Mike Kropp to review the system with the goal of prioritizing the various required repairs. As a result of their research, A2Z prepared a grant proposal that focused on community health and safety and the Water System's extensive issues. Bob Fisher, with DNRC, is reviewing this proposal to see if the needs can be classified as an emergency. This might allow us to qualify for an emergency grant through TSEP. If so, the Water District would have the potential to receive an emergency grant of approximately \$10,000 - \$15,000. (The total money's TSEP has at their disposal is over 100,000). A2Z was approved for a \$4000 grant from TSEP to complete the Water District's PER. The emergency proposal focuses on repairing two major leaks – one on Gordon and the other at the end of Mountain Avenue. The goal of this is to provide residents with water and better pressure until something more thorough and permanent can happen.

Electrical unit at the well needs to be replaced – this need will be added to the emergency grant. The door opening to the well house needs to be widened to make it easier to service the units.

If one well goes off line then 1/2 of the system goes off line. There is no communication between two lines. Recommendation for isolation valves to be installed to help with repairs.

Larry has cautioned that there are a lot of utilities buried near the water lines. A2Z provided the board with a utility map that indicates how the utility lines (electricity not included on the map) run in conjunction with the water pipelines. Larry has reported that he believes the waterlines are below the utilities in most situations. It is essential that the Water District utilize an insured excavator is the

only one excavating due to expense of hitting utility lines. Select a contractor so they can do the repairs. If insurance allows Ken to repair – then he may be able to do some of the repairs.

The Water District was informed that Shelley Nolan has left her former job with RATES to take a position with Montana Rural Water. She is hoping someone from RATES will continue to assist the Water District. She is trying to find someone to fulfill that role. Montana Rural Water may also be able to assist the Water District with funds. Shelley passed the income survey on to Sandy at RATES and it should be ready to be mailed soon. A2Z explained how Shelley works with A2Z and water districts to help them navigate political and governmental processes.

Midwest Assistance – is another agency that does what RATES does and may be another resource the Water District can utilize if that becomes necessary.

To help maintain water pressure while Water District residents await repairs watering restrictions are in place. These require citizens to water on even or odd days based on their address.

Next step is for the board to authorize A2Z to formally submit the emergency grant to Bob Fisher.

Motion: The Water District accepts A2Z's emergency grant proposal and authorizes them to submit it on behalf of the District. Passed unanimously.

IV. Operator's report – Ken Kahn (ABSENT)

V. Financial report – Linda Bosworth – see notes on agenda – red is old info
Balance in Glacier Bank checking is \$2927.20.

The Water District currently owes board members as follows:

Joanna Adams - \$60.34, Ken Kahn - \$87.37, Harold Herman is owed \$1440 for the insurance coverage, Linda Bosworth - \$3769.67. Increased balances from April result from Water District check purchase– Joanna, door locks – Ken, Daily Interlake publication and lab tests – Linda.

Only nineteen checks have been received by the Water District from residents paying their water.

VI. Correspondence.

Bonneville Power – Shelly Brenner – received W9 so she could set up automatic deposit. Their water bill is only \$21.65 per month. That is the current minimum rate because all the Water District is servicing for them is a toilet and sink in a building.

Linda received a box of files from Serena Streeter. She provided a letter to the board, with itemized payments from 2014-2016. In 2015 there were 28 people who paid their water bill. Half of the box is records for the last 6 years for payments to the former Water Company. The other half of the box is drawings of system.

Sampling completed in April all came back satisfactory.

Electric bill was paid electronically and is set up now for auto-pay.

DEQ has provided a letter announcing this is the 2nd notice that the annual fees are past due. Unfortunately, no one on the board received a 1st notice. Possibly the 1st notice may have been sent to Larry. It will be looked into.

Title Insurance has arrived. Recorded deeds have arrived. Copy of survey also arrived.

Check from Donald Seaman came in and noted that he no longer owns the property at 226 Gordon. It is now owned by Mike Seaman.

VII. Old business.

1. Updates to website – Joanna Adams
The minutes from March and the current agenda have been uploaded to the website.
2. Hiring a GM and auditor treasurer. Tabled for next month.
3. Hiring a secretary. Tabled for now. Jamie will not be available June and July to take minutes. The board is seeking a volunteer to do the minutes.
4. Survey of lots 38 and 39 need to be completed. The county will complete this for a fee. The estimate is \$300. LB will pay those.
Motion: LB can pay the fee so the lots can be surveyed. Passed unanimously
5. Second half of taxes are due in May.
6. Three Water District Board seats will be up for election in May 2017. To run residents must register several months in advance. Details to be announced.
7. Water rights transfer documents have been sent but we have not heard if they have officially transferred.
8. Pick up of pump station –Ken was not present to report.
9. Electrical account agreement proposed a flat rate for Larry's portion would be \$54.00 per month. Larry will pay the bill. Anything over the \$54.00 will be the responsibility of Water District. The District will prepare a check to reimburse Larry for any overage.
Motion: Accept proposal as stated. Passed unanimously.

VIII. New business – Joanna Adams

1. Tax Accountant – Mike Bone offered his services to the Water District to assist with tax preparation provided further research confirms his credentials will allow it. He is a registered tax preparer with IRS, however he is not a CPA. He noted he cannot do publically owned operations, however since he believes the Water District may be classified as a quasi co-op he may be qualified. He will research it further and notify the board of his findings. He

is willing to complete the first year's taxes for free. He provided his business card to the board.

Motion: If we are not required to use a CPA we will Michael Bone for the tax return. Passed unanimously

2. Discussion of proposed fees.

At this time no proposed change in basic monthly rate of \$21.65. It was noted that the fees will eventually need to be raised to comply with water district community norms, to enable the district to have access to grants and to provide funds to pay for tests, utilities, repairs and maintenance.

Late fees: Charge 15% per month. **Motion:** Approve 15% late fee. Passed unanimously.

Hook-up fees: Fees are normally for tapping the main and running it to the line. More detail will be developed as more work is done. These fees are called impact fees by the city. \$500 is a proposal. Board is not comfortable with new system hook-up at this time. DEQ will probably deny any requests for hook-up at this time. Tabled for now.

Operator charge: **Motion:** Hourly operator charge of \$80 per hour, with a minimum 1 hour. Passed unanimously.

Activation fee: **Motion:** \$200 minimum, plus hourly operator charges, plus additional costs. Passed unanimously.

Disconnection fee: **Motion:** \$200 minimum, plus hourly operator charges, plus additional costs. Passed unanimously.

3. Income survey. Two week period for returning the survey was approved.

4. Discussion of A2Z proposal/contract. (Discussion found during public comment).

X. **Questions and answers with District staff.--Joanna Adams**

Motivation to get people to pay. Send out a letter announcing the findings from this meeting and try to create buy-in.

XI. **Adjournment – Joanna Adams**

TIME: 9:12

The next General Meeting of the Board is to be held on June 7, 2016, 7pm, at the Badrock Fire Department.